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Turkey

Cotton and Products

Cotton Update

2002

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Report Highlights:

Turkey's MY 2002 cotton production is expected to increase due primarily to larger planted area. Turkish mill, enjoying the benefits of favorable exchange rates and increased demand for textiles, imported a record amount of cotton. The United States continues to be the leading supplier of cotton to Turkey, providing more than fifty percent of all imports. Low U.S. cotton prices and the availability of GSM-102 credit guarantees were the main reason for the increase.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Unscheduled Report
Ankara [TU1], TU

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Executive Summary

Turkey's MY 2002 cotton production is expected to increase due primarily to larger planted area. This past year Turkish mills, enjoying the benefits of favorable exchange rates and increased demand for textiles, imported a record amount of cotton. MY2001 cotton imports reached 569,000MT during the first eleven months of the year. The United States continues to be the leading supplier of cotton, providing more than fifty percent of total imports. Low U.S. cotton prices and the availability of GSM-102 credit guarantees were the main reasons for the increase of U.S. cotton imports to Turkey.

Production

The National Cotton Advisory Board (NCAB) announced revised cotton area and production numbers for MY 2001 and preliminary figures for MY 2002. These estimates are somewhat higher than AgAnkara's estimates particularly given the recent rains in some parts of the Aegean region that adversely effected yield and quality. According to the Board, the production in MY 2001 was 922 TMT and 988 TMT in MY 2002. However, there is some controversy associated with these figures. The Board includes in its estimates for the entire country data received from the Southeastern Anatolian region. However, most industry representatives consider this data unreliable and inflated, thus inflating total production numbers. Some private sources have indicated that, particularly for MY2002, area and production figures have been exaggerated by the farmers in order to receive a higher bonus payment for their seed cotton before the upcoming elections. Last year the bonus was only about 5 cents (TL70,000) per kilogram. This year farm representatives are asking for 27 cents per kilo which is most unlikely given the economic crises and budgetary constraints.

Consumption

Turkey's cotton utilization increased significantly during MY 2001 due to increased demand for textiles particularly in the export market. Turkish firms enjoyed the benefit of favorable exchange rates to increase textile exports and thus utilize a larger portion of their plants' capacity. The increase in cotton utilization is expected to continue in MY 2002 but at a slower rate due to increases in world cotton prices in recent months.

Trade

During the first eleven months of the MY 2001 Turkey imported a total of 569,870 MT of cotton of which 298,304MT was imported from the United States. Official import figures for the last month of the marketing year are not yet available but this year should represent a record for both total imports and imports from the United States. Historically low U.S. cotton prices and the availability of GSM-102 credit guarantees were the main reasons for the increase of U.S. cotton imports to Turkey.

Stocks

Stocks are expected to drop for the third year in a row.

Statistical Tables

PS&D Table

PSD Table						
Country	Turkey					
Commodity	Cotton				(HECTARES)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		08/2000		08/2001		08/2002
Area Planted	0	654000	0	693000	0	700000
Area Harvested	654000	654000	688000	693000	710000	700000
Beginning Stocks	180060	180060	192035	190152	251910	252652
Production	783816	780000	849134	865000	870906	890000
Imports	381021	382878	544316	600000	478998	550000
TOTAL SUPPLY	1344897	1342938	1585485	1655152	1601814	1692652
Exports	27869	27786	27216	27500	21773	27500
USE Dom. Consumption	1124993	1125000	1306359	1375000	1349905	1425000
Loss Dom. Consumption	0	0	0	0	0	0
TOTAL Dom. Consumption	1124993	1125000	1306359	1375000	1349905	1425000
Ending Stocks	192035	190152	251910	252652	230137	240152
TOTAL DISTRIBUTION	1344897	1342938	1585485	1655152	1601815	1692652

Import Trade Matrix

Import Trade Matrix			
Country	Turkey		
Commodity	Cotton		
Time period	MY2001	Units:	Metric tons
Imports for:	Aug/June		1
U.S.	298304	U.S.	
Others		Others	
Greece	155655		
Syria	41234		
Turkmanistan	32130		
Azerbaijan	11997		
Uzbekistan	7868		
Egypt	5425		
Benin	3091		
Brazil	2414		
Tajikistan	2365		
Israel	2009		
Total for Others	264188		0
Others not Listed	7378		
Grand Total	569870		0

Export Trade Matrix

Export Trade Matrix			
Country	Turkey		
Commodity	Cotton		
Time period	MY2001	Units:	Metric Units
Exports for:	Aug/June		1
U.S.		U.S.	
Others		Others	
Italy	4333		
Portugal	3881		
Germany	1871		
Mersin Free Trade Zone	1607		
S. Korea	783		
N. Korea	640		
Taiwan	388		
India	354		
Indonesia	300		
Slovenia	271		
Total for Others	14428		0
Others not Listed	11983		
Grand Total	26411		0